

Options for a career path

A career in IR can take many different directions. Thomas Kudsk Larsen outlines the options that IR professionals have and how a clear path can develop.

As an IR person (IRO) progresses in experience and knowledge, there are multiple dimensions for progressing learning and development, all to stay happy at work. This article proposes a logical and two-dimensional framework for how IROs can approach career opportunities that take into account individual circumstances and risk appetite.

Going deeper and getting better

From the outset, an IRO can decide on a career to remain in the same company. This means staying in the same industry/sector, unless, very unlikely, the company moves into another industry; from rubber boots and tyres to mobile technology. It does happen, but rarely.

As experience and confidence build, staying in the same company, in the same role, provides an opportunity to allocate increasingly more time to new activities as the IRO now masters the job. Experiment with IR; do things differently and do different things, develop new geographies (e.g., Asia), improve rankings across IR surveys or even give back through volunteering and article-writing to help new IROs develop their careers. There are many opportunities to advance the IR discipline through events, the local and national IR organisations or perhaps even by mentoring a new IRO? In the framework (opposite), this is 'Business as usual'.

Why not do more than IR?

IR is a multidisciplinary job involving everything from communications, accounting and finance, business, new products/innovation, legal and sustainability. With such a background, taking on additional or new responsibilities in the current company is a simple, low-risk yet powerful vertical journey to expand the job scope.

If the IRO is in a team, perhaps there is a chance to become head of IR? Expanding IR responsibilities with



Thomas Kudsk Larsen is a former head of IR at AstraZeneca and recently head of communication and IR at Sobi – Swedish Orphan Biovitrum AB.
tklarsenemail@gmail.com

“ A move to a new industry becomes a real opportunity to challenge yourself ”

corporate communications or sustainability is another opportunity, or branching out to corporate and business development. For the right head of IR, taking on the CFO job would make a lot of sense – or simply try a move into the business. In the framework, this is 'Job expansion'.

Move to an industry peer or a competitor

As IROs look to take on new responsibilities, one obvious career step is to change company, but stay in the same industry. While the letterhead changes, the analysts stay the same and so do many buy-side contacts. Yes, there is a new company and people to learn,

but sector dynamics remain the same. Just remember any contractual, restrictive covenants!

As skills transfer to a new company in the same sector, there is a change of scenery, probably a lift in pay and benefits, and often less risk than initially thought. This type of horizontal or lateral move is probably the most common among IR people and often aligns with other people moving between two companies; the IRO may simply follow a CEO or CFO to a new gig. In the framework, this is 'Leverage industry knowledge'.

Why not do both?

As bigger companies tend to be more specialised (or 'siloed'), taking on a new company whilst at the same time expanding the job scope is an approach which will not make all recruiters and HR people sleep well at night. Therefore, a move to a smaller, new company is often the trick that allows IROs to both change company and expand the scope.

In some cases, this means an IRO moving from being a solid number two to head of IR in the new company or a head of IR taking on a broader job as head of IR and communications or public affairs. Added responsibilities can also include sustainability or corporate development/strategy with an endless number of permutations possible. In the framework, this is 'The best of both worlds'.

Jump on a megatrend or learn something new?

As IROs mature, build experience and grow more confident, a move to a new industry (which also means change of company) becomes a real opportunity to continuously challenge oneself and learn new sector fundamentals. This can very well be a move for later in life, once the general knowledge of business and industry has expanded beyond the current sector. Risks can be managed by targeting an industry with similar fundamentals to the one the IRO is



already in, e.g., cyclical, non-cyclical, an element of science, etc.

Some IR skills are transferable between industries and sectors; they include accounting and finance, general communications, consensus management, quarterly results process, roadshow and investor conference management. Still, Bloomberg remains the same!

A horizontal move to a new industry is also an opportunity to explore new megatrends and societal themes like technology and data, including artificial intelligence, or to help support the green transformation, opportunities which may not be feasible in the current sector. In the framework, this is 'Leverage IR knowledge'.

Take a risk and say 'bye' to IR for now

The bold IRO with a bigger risk appetite has one last opportunity to challenge the status quo: essentially exit IR as it is known, change job content and industry at the same time. While transferable skills exist, they are fewer than with other career choices, but some IROs successfully become buy-side or sell-side analysts, for example, or fund managers.

Other examples would include becoming a writer for a business outlet, a job in a central bank or regulator or job

with a service provider to IR such as Bloomberg, a consensus provider or another vendor not providing core IR-only services. Due to the nature of such moves, they can often be done successfully either early or late in life. In the framework, this is 'In deeper waters'.

The personal journey

As the framework illustration shows, making career moves and changes is a personal matter which allows for journeys to be different, optimised for

current personal and private circumstances, aligned with risk appetite and ability to work more or fewer hours. In general, the newer responsibilities, the bigger the investment and therefore also the execution risk in the new job.

IR remains an exciting and dynamic career choice with the ability to design a personal journey to hopefully under-promise but over-deliver. Good luck with the journey and remember to help advance IR as a discipline, as that is our shared responsibility. ■

New IR Society members

The IR Society would like to welcome members from the following companies, who joined in August, September and early October 2023.

- Allwyn International
- IHG
- Breakwater
- Medya Istanbul
- CCEP
- Plus500
- Ceres Power
- Retail IR
- CLS Advisory
- Rivel
- Dangote Industries Limited
- Sociables Express
- Fhold Constructora
- Solebury Trout
- Grab
- Storm-IR
- H&T
- TCB Bank
- Hanover Comms
- The Co-operative Bank
- IG Group